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January 20, 2000

## **VIA ELECTRONIC MAIL** **& OVERNIGHT MAIL**

Mr. Darrell Whitis  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

**Re: Application of CTSI, Inc.; Dkt. No. 99-00918**

Dear Mr. Whitis:

On behalf of CTSI, Inc., the undersigned counsel respectfully provides responses to the questions posed by you via electronic mail dated January 13, 2000. Due to the confidential nature of responses 4, 5, and 7, CTSI respectfully requests confidential treatment and, therefore, intends to provide responses 4, 5, and 7 via overnight delivery in a sealed envelope directly to you. If confidential treatment cannot be provided to these documents, we respectfully request that the sealed envelope not be opened.

### **Question 1**

Provide pre-filed testimony substantiating the managerial, financial, and technical qualifications of the Applicant.

### **Response**

Please see Attachment A.

### **Question 2**

Provide the states the Company is certificated to provide telecommunications service.

### **Response**

CTSI, Inc. is certificated to provide telecommunications services in Maryland, New York, Pennsylvania, Vermont and Wisconsin.

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**Question 3**

Provide information concerning the Company's complaint history in the states the Company is certificated to provide authority.

**Response**

CTSI has maintained an excellent record of customer satisfaction in Pennsylvania and New York. CTSI's complaints in Pennsylvania are one half of one percent (0.005) of the total customers served. CTSI's complaints in New York are one tenth of one percent (0.001) of the total access lines served by CTSI. CTSI has not commenced operations in Maryland, Vermont or Wisconsin; therefore, CTSI has no customer complaints in these states.

**Question 4**

Address the cost of the proposed network, switches, or unbundled network elements (UNEs), etc.

**Response**

Please see Attachment B. Attachment B contains confidential and proprietary information not generally available to the public. Therefore, Attachment B is provided in a sealed envelope. In the competitive telecommunications market, disclosure of this information would cause harm to the Applicant's business operations. Applicant respectfully requests that the information contained in the sealed envelope be given confidential treatment and that it not be made part of the public record or otherwise disclosed to the public.

**Question 5**

Applicant should provide three year projected financial statements, including income statements, balance sheet, and cash flow statements.

**Response**

Please see Attachment C. Attachment C contains confidential and proprietary information not generally available to the public. Therefore, Attachment C is provided in a sealed envelope. In the highly competitive telecommunications market, disclosure of this information would cause harm to the Applicant's business operations. Applicant respectfully requests that the information contained in the sealed envelope be given confidential treatment and that it not be made part of the public record or otherwise disclosed to the public.

**Question 6**

Provide details of the funding for its proposed network, equipment purchases, or payment for UNEs such as: (a) internally generated funds (cash, marketable securities); (b) letters of credit; (c) Loan commitments; (d) Vendor Credit.

**Response**

During the initial start-up period, CTSI will rely upon the sizable financial assets of its parent company, Commonwealth Telephone Enterprises, Inc. ("CTE"), to ensure that it has sufficient capital to fund its proposed network, equipment purchases and/or payment for UNEs. As CTSI's revenues increase through the acquisition of new customers, CTSI's

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revenues (internally generated funds) will supplant CTE's assistance. CTSI submitted as Exhibit 3 to its Application the most recent SEC Form 10-Q for CTE. This exhibit demonstrates CTSI's financial ability to provide the proposed services.

**Question 7**

Provide a three (3) year capital budget outlining what specific equipment will be deployed, where it will be deployed, and its cost.

**Response**

Please see Attachment D. Attachment D contains confidential and proprietary information not generally available to the public. Therefore, Attachment D is provided in a sealed envelope. In the highly competitive telecommunications market, disclosure of this information would cause harm to the Applicant's business operations. Applicant respectfully requests that the information contained in the sealed envelope be given confidential treatment and that it not be made part of the public record or otherwise disclosed to the public.

**Question 8**

Indicate whether the financial statements reflect any amounts related to reciprocal compensation for terminating ISP traffic. If so, quantify.

**Response**

The financial statements provided herein do not reflect amounts related to reciprocal compensation for terminating ISP traffic.

**Question 9**

Please submit an appropriate intraLATA Toll Dialing Parity Plan and Pre-filed testimony which substantiates the managerial, financial and technical qualifications of the Applicant.

**Response**

Please see Attachment E and Attachment A.

If you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen L. Greenan". The signature is fluid and cursive, with a long, sweeping underline.

Kathleen L. Greenan

cc: Mr. Mark DeFalco, CTSI, Inc.

**ATTACHMENT A**

**Pre-Filed Testimony**

**BEFORE THE  
TENNESSEE REGULATORY AUTHORITY**

CTSI, Inc.	)	
	)	
Application for a Certificate of Public	)	
Convenience and Necessity to Provide	)	
Facilities-Based and Resold Local	)	Docket No. 99-00918
Exchange and Intrastate Interexchange	)	
Telecommunications Services Throughout	)	
the State of Tennessee	)	

**PRE-FILED TESTIMONY OF MARK DEFALCO  
ON BEHALF OF CTSI, INC.**

**I.     INTRODUCTION**

**Q.     PLEASE STATE YOUR NAME, TITLE, BUSINESS ADDRESS AND TELEPHONE NUMBER.**

**A.**     My name is Mark DeFalco. I am employed by Commonwealth Telephone Enterprises ("CTE"), the parent company of CTSI, Inc. ("CTSI"). I am the Director of Regulatory Affairs for CTSI. My business address is CTSI, Inc. 300-A Laird Street, Wilkes-Barre, Pennsylvania 18702.

**Q.     WHAT ARE YOUR RESPONSIBILITIES AS DIRECTOR OF REGULATORY AFFAIRS?**

**A.**     As Director of Regulatory Affairs, I am responsible for ensuring that CTSI, as a public utility, complies with federal, state and local laws. I also handle all regulatory compliance issues that arise with regard to marketing, operations, billing and customer service. I manage carrier-to-carrier agreements on behalf of CTSI, including the negotiation of interconnection agreements for the provision of local exchange services. My responsibilities include appearing before federal and state regulatory authorities to advocate CTSI's competitive position on all telecommunications issues.

**Q.     PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.**

**A.**     I received an Accounting degree from the University of Scranton, Scranton, Pennsylvania in 1977, and an M.B.A. from Marquette University, Milwaukee, Wisconsin in 1982. I have over 20 years experience in the telecommunications field. I have been in my current position at CTSI since May 1998. Before joining CTSI, I was Regional Manager, Competition Policy

1 for two years at MCI. Prior to that I was Manager, State Regulatory Affairs for TDS  
2 Telecom in Vermont. I began my telecommunications career at Ameritech, where I worked  
3 for 16 years, ending my tenure there in exchange carrier relations.

4 **Q. ARE YOU FAMILIAR WITH THE APPLICATION THAT CTSI FILED WITH THE**  
5 **TENNESSEE REGULATORY AUTHORITY ON DECEMBER 1, 1999 FOR A**  
6 **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE**  
7 **FACILITIES-BASED AND RESOLD LOCAL EXCHANGE INTRASTATE**  
8 **INTEREXCHANGE TELECOMMUNICATIONS SERVICES THROUGHOUT THE**  
9 **STATE OF TENNESSEE?**

10 **A.** Yes.

11 **Q. DO YOU RATIFY AND CONFIRM THE STATEMENTS THAT ARE MADE IN**  
12 **THE APPLICATION ?**

13 **A.** Yes.

14 **Q. DO YOU HAVE ANY CHANGES OR UPDATED INFORMATION TO PROVIDE**  
15 **REGARDING THE APPLICATION?**

16 **A.** Yes. I would like to inform the Authority that since CTSI filed its Application, it has  
17 received authority to operate as facilities-based and resale carrier in the states of Vermont  
18 and Wisconsin.

19 **II. PURPOSE AND SUMMARY**

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

21 **A.** The purpose of my testimony is to describe the telecommunications services that CTSI  
22 proposes to offer in Tennessee and to review issues related to CTSI's request for a license  
23 to provide such services. My testimony specifically relates to CTSI's managerial, financial

1 and technical competence to provide the telecommunications services for which authority  
2 is requested, and its compliance with the rules and policies of this Authority.

3 **Q. PLEASE DESCRIBE THE AUTHORITY THAT CTSI SEEKS FROM THE**  
4 **TENNESSEE REGULATORY AUTHORITY.**

5 **A.** CTSI seeks a certificate of public convenience and necessity to provide resold and facilities-  
6 based local exchange and intrastate interexchange services throughout the State of  
7 Tennessee. CTSI requests authority to provide all forms of local exchange and intrastate  
8 interexchange telecommunications services. CTSI also requests authority to provide  
9 switched access services to interexchange carriers, which will allow CTSI's customers to  
10 originate and terminate intrastate and interstate calls to and from customers of interexchange  
11 carriers.

12 CTSI seeks authority to provide Digital Subscriber Line services over its own facilities or  
13 by leasing local loops of incumbent local exchange carriers ("ILECs") and competitive local  
14 exchange carriers ("CLECs"). In addition, CTSI seeks authority through interconnection  
15 with other carriers to offer 911 and enhanced 911 emergency services, directory assistance  
16 and operator assisted calling, dual party relay services, and other services currently provided  
17 by ILECs.

18 **Q. HAS CTSI BEEN AUTHORIZED TO PROVIDE SUCH SERVICE IN ANY**  
19 **OTHER JURISDICTIONS?**

20 **A.** Yes. CTSI is authorized to provide local exchange telecommunications services in  
21 Maryland, New York, Pennsylvania, Vermont and Wisconsin. CTSI is also  
22 authorized by the Federal Communications Commission ("FCC") to provide



1 international facilities-based and resold telecommunications services between the  
2 United States and various international points.

3 **Q. HAS CTSI EVER BEEN DENIED AUTHORIZATION BY A STATE**  
4 **REGULATORY AGENCY?**

5 **A.** CTSI has never been denied requested authorization by a state regulatory agency.

6 **Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF CTSI.**

7 **A.** CTSI is a corporation organized under the laws of the Commonwealth of Pennsylvania in  
8 February, 1997. CTSI is a wholly-owned subsidiary of Commonwealth Telephone  
9 Enterprises (“CTE”), a publicly-traded corporation (NASDAQ: CTCO) headquartered in  
10 Dallas, Pennsylvania. A copy of CTSI’s Articles of Incorporation and a copy of CTSI’s  
11 Certificate of Authority to Transact Business in Tennessee are attached to CTSI’s  
12 Application as Exhibits 1 and 2 respectively.

13 **III. MANAGERIAL AND TECHNICAL QUALIFICATIONS**

14 **Q. PLEASE ADDRESS CTSI’S MANAGERIAL AND TECHNICAL QUALIFICA-**  
15 **TIONS.**

16 **A.** CTSI has the managerial and technical qualifications to provide facilities-based and resold  
17 telecommunications service in Tennessee. CTSI’s management team has extensive  
18 experience in telecommunications. A description of the managerial experience of CTSI’s  
19 key personnel is attached to its Application as Exhibit 4. As the resumes of CTSI’s key  
20 personnel reflect, these individuals have substantial experience in running major  
21 telecommunications operations. Each member of CTSI’s management team will draw upon

1 his or her own experience, as well as the collective experience of the entire management  
2 team, to ensure that CTSI is managed and operated efficiently and profitably.

3 **Q. PLEASE ELABORATE ON CTSI'S TECHNICAL QUALIFICATIONS.**

4 A. Certainly. CTSI is technically qualified to provide the proposed services in the State of  
5 Tennessee. CTSI has garnered extensive telecommunications experience over the past two  
6 years of successful operations. CTSI currently does not own property in Tennessee, but  
7 plans to construct facilities in the State in the future, including a switch and physical  
8 collocation arrangements in central offices to be determined. CTSI's management personnel  
9 are well qualified to execute its business plan, having extensive managerial, financial, and  
10 technical telecommunications experience as described in Exhibit 3 to the Application.

11 The Company began its operations as a facilities-based carrier in 1997 and since then  
12 has started deploying facilities in certain areas throughout the United States. The Company  
13 currently operates an advanced telecommunications network. CTSI maintains an Operations  
14 Center in Dallas, Pennsylvania to monitor its network, which increases reliability, security  
15 and efficiency. In the Company's experience, carrying traffic over its own network provides  
16 the Company greater control over its network operations allowing CTSI to better serve the  
17 unique needs of its customers.

18 As discussed, CTSI has a management team with excellent credentials and experience  
19 in the telecommunications industry. This management team has been successful in operating  
20 an advanced telecommunications network combining leased and owned facilities and

enhanced components. The management team continually develops plans for improving the network and providing innovative services to its customers.

**IV. FINANCIAL QUALIFICATIONS**

**Q. PLEASE DESCRIBE CTSI'S FINANCIAL QUALIFICATIONS.**

A. CTSI possesses the financial qualifications necessary to conduct its proposed telecommunications operations as specified in its Application. During the initial start-up period, CTSI will rely upon the sizable financial assets of its parent company, Commonwealth Telephone Enterprises, Inc. ("CTE"), to ensure that it has sufficient capital to maintain its operations. As CTSI's revenues increase through the acquisition of new customers, CTSI's revenues will supplant CTE's assistance. CTE is a publicly-traded corporation (NASDAQ: CTCO) headquartered in Dallas, Pennsylvania.

CTSI is a wholly-owned subsidiary of CTE. Accordingly, CTSI submitted as Exhibit 3 to its Application the most recent SEC Form 10-Q for CTE. This exhibit provides proof of Applicant's financial ability to provide the proposed services. With access to this financing, CTSI is financially qualified to provide the telecommunications services proposed in its Application.

**V. CTSI'S PROPOSED SERVICES**

**Q. PLEASE DESCRIBE THE TYPES OF SERVICES THAT CTSI WILL OFFER IN TENNESSEE.**

A. CTSI plans to provide resold and facilities-based local exchange and exchange access services. These services include, *inter alia*, local exchange access services to single-line and

1 multi-line business and residential customers, and local exchange usage services. CTSI will  
2 also provide switched access services to interexchange carriers, which will allow CTSI's  
3 customers to originate and terminate intrastate and interstate calls to and from customers of  
4 interexchange carriers. CTSI will offer Digital Subscriber Line services, over its own  
5 facilities or by leasing local loops of ILECs and CLECs. In addition, through  
6 interconnection with other carriers, CTSI will offer its customers 911 and enhanced 911  
7 emergency services, directory assistance and operator assisted calling, dual party relay  
8 services, and other services currently provided by ILECs. Subject to negotiations with the  
9 incumbent local exchange carriers, and consistent with this Authority's rules, CTSI intends  
10 to offer additional services as demand exists. Essentially, CTSI will offer all forms of  
11 facilities-based, local exchange service throughout the State of Tennessee.

12 **Q. HOW WILL CTSI PROVIDE THESE SERVICES?**

13 **A.** CTSI's services will be provided primarily through its own facilities. CTSI's facilities-based  
14 network will consist initially of a combination of its switching network and the unbundled  
15 network elements of the incumbent carrier and/or other facilities purchased from an  
16 alternative carrier. The Company is still evaluating various network configurations, but  
17 expects to deploy a local switching network sometime after obtaining authority from the  
18 Tennessee Regulatory Authority and executing an interconnection agreement with BellSouth,  
19 the incumbent local exchange carrier.

**Q. WHAT GEOGRAPHIC AREAS WILL CTSI SERVE?**

**A.** CTSI seeks to provide intrastate interexchange and local exchange telecommunications services to and from points throughout the State of Tennessee.

**VI. COMPLIANCE WITH THE AUTHORITY RULES, REGULATIONS AND POLICIES**

**Q. IF AUTHORIZED TO PROVIDE COMPETITIVE TELECOMMUNICATIONS SERVICES, WILL CTSI ABIDE BY THE RULES, REGULATIONS, POLICIES AND ORDERS OF THIS AUTHORITY, AND THE LAWS OF THE STATE OF TENNESSEE IN ITS PROVISION OF COMPETITIVE INTRASTATE LOCAL EXCHANGE AND INTEREXCHANGE SERVICES?**

**A.** Yes, it will. CTSI will provide service in the State of Tennessee in full compliance with any and all rules and regulations that have been or may be adopted relating to the provision of telecommunications services, as well as any other applicable State or federal rules, regulations, or statutes. For example, CTSI will comply with any competitively-neutral requirements that the Authority and/or the State of Tennessee determines are necessary to preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers. CTSI also will comply with all statutory and Authority requirements concerning the filing of tariffs; customer notification of rate increases; customer billing and credit issues; access to 9-1-1 services; access to telecommunications for persons with disabilities; and the filing of regulatory reports and the payment of regulatory assessments.

1 **Q. IF GRANTED CERTIFICATION TO PROVIDE LOCAL SERVICE IN**  
2 **TENNESSEE, WILL CTSI ABIDE BY THE RULES AND REGULATIONS OF THIS**  
3 **AUTHORITY, AS NOW ADOPTED OR THAT MAY BE ADOPTED IN THE**  
4 **FUTURE?**

5 **A.** Yes, it will.

6 **Q. PLEASE PROVIDE THE NAME, ADDRESS, TELEPHONE, AND FAX NUMBER**  
7 **OF THE 9-1-1 CONTACT PERSON FOR YOUR COMPANY?**

8 **A.** Ms. Patricia Wenrich is the contact person for 9-1-1 issues for CTSI. Her business address  
9 is CTSI, Inc., 120 CTE Drive, Dallas, Pennsylvania 17111. She can be reached at 570-631-  
10 5333. Her fax number is 717-901-9120.

11 **Q. WILL YOUR COMPANY CONTACT AND ESTABLISH A WORKING**  
12 **RELATIONSHIP WITH 9-1-1 SYSTEMS WHEN YOU BEGIN TO PROVIDE**  
13 **LOCAL TELEPHONE SERVICE?**

14 **A.** Yes. CTSI will contact and establish a working relationship with 9-1-1 systems prior to  
15 providing local telephone service in Tennessee.

16 **Q. WILL YOUR COMPANY COORDINATE WITH THE INCUMBENT LEC(s) AND**  
17 **LOCAL 9-1-1 SYSTEMS TO PROVIDE TRANSPARENT SERVICE FOR YOUR**  
18 **LOCAL EXCHANGE CUSTOMERS?**

19 **A.** Yes, CTSI will coordinate with the incumbent LEC(s) and local 9-1-1 systems to provide  
20 transparent 9-1-1 service to CTSI local exchange customers. CTSI will enter into an  
21 interconnection agreement with the incumbent LEC, which will set forth the manner of  
22 transporting 9-1-1 calls from the CTSI end user to the appropriate Public Safety Answering  
23 Point ("PSAP").

1     **Q.     PLEASE PROVIDE THE NAME, ADDRESS, TELEPHONE, AND FAX NUMBER**  
2     **OF THE PERSON AT YOUR COMPANY THAT WILL BE RESPONSIBLE FOR**  
3     **WORKING WITH THE AUTHORITY FOR COMPLAINT RESOLUTION?**

4     A.     Ms. Deanna Forte is the contact person for complaint resolution. Her business address is  
5             CTSI, Inc., 300-H Laird Street, Wilkes-Barre, Pennsylvania 18702. She can be reached at  
6             570-970-3060 and her fax number is 570-208-6511.

7     **Q.     WHO WILL PROVIDE CUSTOMER REPAIR SERVICE FOR YOUR COMPANY?**

8     A.     CTSI customers may call CTSI's customer service number, 888-278-8783, 24 hours a day,  
9             7 days a week for routine and emergency repair and maintenance. If the repair or  
10            maintenance request concerns a resold or UNE portion of CTSI's network, CTSI contacts the  
11            incumbent carrier. Arrangements for incumbent carrier repair and maintenance will be  
12            addressed in an interconnection agreement or related negotiated agreement. If the repair or  
13            maintenance request concerns a CTSI owned facility, such as a switch, CTSI handles the  
14            repair or maintenance through a subcontractor.

15    **Q.     PLEASE DESCRIBE YOUR COMPANY'S INTERNAL PROCESS FOR**  
16    **COMPLAINT RESOLUTION, THE ESCALATION PROCESS WITHIN YOUR**  
17    **COMPANY, AND WHEN A CUSTOMER IS NOTIFIED THAT THEY MAY**  
18    **CONTACT THE TENNESSEE REGULATORY AUTHORITY FOR ASSISTANCE.**

19    A.     CTSI will handle customer service orders, requests, inquiries, and/or complaints through its  
20            toll-free customer service number, (888) 278-8783. This toll-free number will be printed on  
21            customer invoices. CTSI's customer service center is available 24 hours a day, seven days  
22            a week, and is staffed by knowledgeable customer service representatives. Resolution and/or  
23            escalation of customer service complaints will be handled in conformity with applicable

1 Authority regulations. Customer bills will provide the address and telephone number of the  
2 Tennessee Regulatory Authority so that customers may contact the Authority for inquiries  
3 and complaints.

4 **Q. HOW DOES YOUR COMPANY PLAN TO SOLICIT CUSTOMERS ONCE IT**  
5 **BEGINS TO PROVIDE LOCAL SERVICE?**

6 A. CTSI utilizes a direct sales force to market its retail communications services directly to end  
7 users. All new sales representatives are required to receive formal in-house training in which  
8 sales representatives gain a thorough knowledge of CTSI's services, the communications  
9 industry and state and federal rules and regulations.

10 **Q. WILL YOUR COMPANY ABIDE BY FEDERAL AND STATE SLAMMING LAWS?**

11 A. Yes. CTSI will comply with Tennessee law and the Federal Communications Commission's  
12 regulations regarding how carriers may change a consumer's primary carrier.

13 **Q. HAS YOUR COMPANY WRITTEN GUIDELINES TO PREVENT THE**  
14 **UNAUTHORIZED SLAMMING OF LOCAL EXCHANGE CUSTOMERS?**

15 A. CTSI has a zero-tolerance policy for slamming. Every sale must be generated through  
16 customer understanding and informed consent regarding the nature of the transaction, the  
17 services being requested and the associated costs involved.

18 **VII. PUBLIC INTEREST CONSIDERATIONS**

19 **Q. PLEASE DESCRIBE THE PUBLIC INTEREST BENEFITS ASSOCIATED WITH**  
20 **CTSI'S PROPOSED OFFERING OF TELECOMMUNICATIONS SERVICES IN**  
21 **TENNESSEE.**

22 A. A grant of CTSI's Application will further the public interest by expanding the availability  
23 and variety of high-quality local exchange services in Tennessee. CTSI ultimately will offer



1 customers the convenience of one-stop shopping for both their local, long-distance, and high  
2 speed data services needs. Moreover, the presence of CTSI in the Tennessee  
3 telecommunications market will increase the incentives for the incumbent local exchange  
4 carriers to reduce their prices, operate more efficiently, offer more innovative services, and  
5 improve their quality of service. Consumers in Tennessee, as well as in other states, have  
6 certainly benefitted from the introduction of competition in other telecommunications  
7 markets, such as long distance, competitive access, and customer premises equipment. CTSI  
8 is now eager to extend those public interest benefits to the local services market.

9 **VIII. CONCLUSION**

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 **A.** Yes, it does. I reserve the right, however, to amend or modify my testimony, as appropriate.

12 **END OF TESTIMONY**

**ATTACHMENT E**

**CTSI, INC. INTRALATA PRESUBSCRIPTION IMPLEMENTATION PLAN**

**CTSI, INC.**  
**INTRALATA PRESUBSCRIPTION IMPLEMENTATION PLAN**

**INTRODUCTION**

In accordance with certain Federal Communications Commission ("FCC") Orders,<sup>1/</sup> CTSI, Inc. ("CTSI") submits its implementation plan for intraLATA presubscription (the "Plan").

CTSI will give end user customers the opportunity to designate a carrier for their intraLATA toll call traffic in those market areas where CTSI is a facilities-based local exchange service provider. IntraLATA toll calls will automatically be directed to the designated carrier without the customer having to dial an access code.

**POLICIES**

CTSI will deploy two-PIC (Primary Interexchange Carrier) technology in its switches. This technology will enable the customer to presubscribe to the same or a different carrier for their intraLATA and/or interLATA service.

CTSI will offer customers the ability to access all participating carriers by dialing the appropriate access code (10XXX/101XXXX).

All eligible CTSI end user telephone line numbers will be presubscribed and must have a PIC associated with them.

**CARRIER INFORMATION**

Interexchange carriers will have the option of offering intraLATA service only or intraLATA and interLATA service.

Interexchange carriers will have the option of participating in all market areas or in a specific market area.

Interexchange carriers will be required to return a completed Non-Disclosure Agreement and Participation Agreement(s).

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<sup>1/</sup> *In the Matter of Implementation of the Local Competition Provision of the Telecommunications Act of 1996*, CC Docket No. 96-98, *Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Expedited Declaratory Ruling on Interstate InterLATA Toll Dialing Party or, in the Alternative, Various Other Relief*, Order (March 23, 1999); *In the Matters of the Local Competition Provisions of the Telecommunications Act of 1996*, Second Report and Order, CC Docket No. 96-98 (August 8, 1996).

CTSI will not participate in billing disputes for intraLATA service between alternative competing interexchange carriers and their customers.

CTSI representatives will not initiate or accept three-way calls from alternative interexchange carriers to discuss presubscription.

Carriers wishing to participate will be requested to submit Access Service Requests/Translation Questionnaires to the Access Tandem owner and to CTSI.

### **CALL ELIGIBILITY/TOLL DIALING PLAN**

A local service customer of CTSI will have calls routed according to the following plan:

If a CTSI Customer Dials:	The Call is Handled By/Routed To:
911	PSAP on originating line number
411/555-1212	CTSI Directory Assistance Operator
0-	CTSI Operator
0 + intraexchange number	IntraLATA Toll Provider
1 + 7 or 10 digits	IntraLATA Toll Provider
0 + 7 or 10 digits interexchange number	InterLATA Toll Provider
10XXX or 101XXXX + 0-	XXX/XXXX Carrier
10XXX or 101XXXX + 0 + 7 or 10 digits	XXX/XXXX Carrier
10XXX or 101XXXX + 7 or 10 digits	XXX/XXXX Carrier

If a CTSI customer originates a call to a carrier Operator by dialing 00-, the call will be routed to the PIC on that customer's line. If the customer originates a call to a carrier Operator by dialing an access code (e.g., 10XXX/101XXXX + 0-), the call will be routed to the XXX/XXXX carrier. In both cases, the carrier's switch is responsible for routing this call to the carrier's Operator or to an announcement.

### **NETWORK INFORMATION**

All originating intraLATA traffic will initially be routed via the incumbent Local Exchange Carrier (LEC) Access Tandem(s). Following conversion, direct trunks between the CTSI switch and the interexchange carrier location(s) may be provisioned where traffic volumes warrant.

Interexchange carriers must have Feature Group D trunks in place (or ordered) between their point of presence and the incumbent LEC Access Tandem(s).

CTSI will route all originating intraLATA traffic to the designated carrier and will only block traffic at the request of the end user customer and/or in compliance with regulatory requirements. Calls that cannot be completed to a carrier will be routed to an announcement.

## **CUSTOMER CONTACT INFORMATION**

CTSI customer contact representatives will process customer initiated PIC selections to CTSI or to an alternative intraLATA carrier. Carriers will have the option of allowing the CTSI representative to process PIC requests on their behalf.

CTSI will not ballot or allocate their customer base. At the time of conversion, all customers will be "PIC'd" to CTSI unless another carrier is chosen by the particular customer.

CTSI customer contact representatives will not comment on a customer's choice of its intraLATA PIC when the customer contacts CTSI to change the PIC. CTSI customer contact representatives will respond to customer inquiries about intraLATA carriers in a competitively neutral fashion. If a customer requests information relating to carriers other than CTSI, a list of participating carriers will be read to that customer in random order by CTSI representatives.

If the intraLATA toll carrier selected by the customer permits CTSI to process orders on its behalf, CTSI will accept the PIC change request. If the customer selects an intraLATA toll carrier that does not allow CTSI to process PIC changes on its behalf, CTSI will provide the customer with the carrier's toll-free number (if provided by the carrier).

CTSI representatives will not discuss alternative carrier rates or services and will not provide customers with Carrier Identification Codes or access code dialing instructions.

## **PRESUBSCRIPTION INFORMATION**

A \$5.00 PIC change charge will be incurred and billed to a CTSI customer for each eligible line where a PIC change is made. CTSI will offer its customers a 90-day grace period following Plan implementation during which the customers may change intraLATA carriers without a PIC change charge. Customers can make multiple PIC changes during these 90 days at no charge. After the 90-day period, CTSI will assess the \$5.00 PIC change charge. CTSI offers interexchange carriers the option of having the PIC charge billed to the carrier or to the customer.

New line customers, including customers adding lines, will have the opportunity to select a participating carrier, or they will be assigned a NO PIC designation. If a customer cannot decide upon an intraLATA carrier at the time of order, CTSI may extend a 30-day period following placement of the customer's service order for the customer to select an intraLATA carrier without charge. Such a customer will be assigned a NO PIC designation in the interim. After this 30-day period, CTSI will assess the \$5.00 PIC change charge as described above. Customers assigned a NO PIC designation as set forth in this paragraph will be required to dial an access code to reach an intraLATA carrier's network.

If a CTSI customer denies requesting a change in intraLATA toll providers as submitted by an intraLATA carrier, and the intraLATA carrier is unable to produce a Letter of Agency signed by

the customer, the intraLATA carrier will be assessed a \$30.00 charge for the unauthorized PIC change and the PIC will be changed as per the customer's request, in addition to any other penalties authorized by law.

Alternative interexchange carriers may submit PIC changes to CTSI via a fax/paper interface.

CTSI will process intraLATA PIC selections in the same manner and under the same intervals of time as interLATA PIC changes.

Carriers will be required to submit PIC changes using the Customer Account Record Exchange (CARE) format via paper medium. CTSI will provide carriers with PIC order confirmation and reject information using the CARE format. Specific details regarding CARE will be provided to participating carriers.

For customers who change their local service provider from the incumbent LEC to CTSI and retain their incumbent LEC telephone number(s), CTSI, as part of the CARE PIC process, will provide the selected intraLATA carrier with both the retained (incumbent LEC) telephone number and the CTSI telephone number.